

**ALASKA STATE LEGISLATURE
SENATE LABOR AND COMMERCE STANDING COMMITTEE**

February 8, 2021

1:34 p.m.

MEMBERS PRESENT

Senator Mia Costello, Chair
Senator Roger Holland, Vice Chair
Senator Joshua Revak
Senator Gary Stevens
Senator Elvi Gray-Jackson

MEMBERS ABSENT

All members present.

COMMITTEE CALENDAR

SENATE BILL NO. 10

"An Act establishing a grant program to provide to essential workers the tuition and fees to attend a state-supported postsecondary educational institution."

- MOVED SB 10 OUT OF COMMITTEE

SENATE BILL NO. 24

"An Act authorizing virtual meetings of shareholders of a corporation; and authorizing virtual meetings of members of a nonprofit corporation."

- HEARD & HELD

PREVIOUS COMMITTEE ACTION

BILL: SB 10

SHORT TITLE: FREE/REDUCED TUITION FOR ESSENTIAL WORKER

SPONSOR(s): SENATOR(s) BEGICH

01/22/21	(S)	PREFILE RELEASED 1/8/21
01/22/21	(S)	READ THE FIRST TIME - REFERRALS
01/22/21	(S)	L&C, EDC, FIN
02/08/21	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)

BILL: SB 24

SHORT TITLE: VIRTUAL MEETINGS FOR CORPORATIONS
SPONSOR(s): SENATOR(s) WILSON

01/22/21	(S)	PREFILE RELEASED 1/8/21
01/22/21	(S)	READ THE FIRST TIME - REFERRALS
01/22/21	(S)	L&C
02/08/21	(S)	L&C AT 1:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

SENATOR BEGICH
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Sponsor of SB 10.

LOKI TOBIN, Staff
Senator Tom Begich
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Presented the sectional analysis for SB 10.

DAN ROBINSON, Chief of Research and Analysis
Division of Administrative Services
Department of Labor and Workforce Development
Juneau, Alaska

POSITION STATEMENT: During the hearing on SB 10, provided information about job numbers during the COVID-19 health emergency and discussed two reports the department produces.

JAMES HARVEY, Assistant Director
Division of Employment and Training Services
Department of Labor and Workforce Development (DOLWD)
Juneau, Alaska

POSITION STATEMENT: During the hearing on SB 10, provided information about the Job Service System.

MIKE COONS, representing self
Palmer, Alaska

POSITION STATEMENT: Testified in opposition to SB 10.

JOELLE HALL, incoming President
Alaska AFL-CIO
Anchorage, Alaska

POSITION STATEMENT: Testified in support of SB 10.

SENATOR DAVID WILSON
Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Sponsor of SB 24

JASMIN MARTIN, Staff

Senator David Wilson

Alaska State Legislature

Juneau, Alaska

POSITION STATEMENT: Presented the sectional analysis for SB 24.

ACTION NARRATIVE

[1:34:06 PM](#)

CHAIR MIA COSTELLO called the Senate Labor and Commerce Standing Committee meeting to order at 1:34 p.m. Present at call to order were Senators Holland, Revak, Gray-Jackson, Stevens, and Chair Costello.

CHAIR COSTELLO solicited a motion to appoint Senator Holland vice chair.

SENATOR REVAK moved and asked unanimous consent to appoint Senator Holland vice chair of the Senate Labor and Commerce Committee.

CHAIR COSTELLO found no objection and it was so ordered.

SB 10-FREE/REDUCED TUITION FOR ESSENTIAL WORKER

[1:36:31 PM](#)

CHAIR COSTELLO announced the consideration of SENATE BILL NO. 10, "An Act establishing a grant program to provide to essential workers the tuition and fees to attend a state-supported postsecondary educational institution."

[1:36:37 PM](#)

SENATOR BEGICH, Alaska State Legislature, Juneau, Alaska, sponsor of SB 10, introduced the legislation reading the following sponsor statement into the record:

During this unprecedented time, thousands of Alaskans have remained steadfast in their commitment to their communities. From restocking grocery shelves to delivering medicine, from hauling away our trash, to continuing to care for the most vulnerable amongst us, essential workers have provided the critical support our communities have needed during this pandemic. Now is the time to recognize the efforts and invest in

this ready and able workforce. SB 10 establishes an Essential Worker Grant Program, leveraging the dedication of our frontline workers and providing a tuition free pathway for them to enhance and grow their professional capacity.

1:38:10 PM

According to the US Department of Labor, rising levels of education attainment correlates to a 14% increase in output per hour worked in the private sector. In fact, data shows that the typical college graduate working full-time pays more than 80% in local, state, and federal taxes than the typical high school graduate. Investing in our essential workers will make Alaska more competitive and reduce strain on government financial assistance programs, reduce crime rates, and increase tax revenue and wages.

Research indicates that an overwhelming 93% of employees would stay at their companies longer if the company invested in their professional development. With declining population rates affecting all of Alaska, investing in our essential workforce will keep Alaskans here - working hard to stabilize, strengthen, and build back our economy.

SENATOR BEGICH referred to a state health mandate and directed attention to the document in the packets that lists a number of the sectors that have provided essential services. He said legislative legal has advised that this is the appropriate term and it matches the document titled "Alaska Essential Services and Critical Workforce Infrastructure Order," amended April 10, 2020. He noted that section II (e) lists each of the areas that would be eligible for either free or reduced tuition under SB 10.

SENATOR BEGICH read the following from the most recent quarterly report from National Bank Alaska that was reporting on the Federal Reserve:

The negative consequences of COVID-19 have fallen disproportionately upon low-wage workers. The employment rate for low-wage workers is down by about 25 percent compared with January 2020. In contrast, the employment rate for high-wage workers has fully

recovered and now stands about 1 percent higher compared with January 2020.

SENATOR BEGICH stated that SB 10 was appropriate because this public health emergency disproportionately affected low-wage workers who were least able to carve a path for their futures.

He noted that Senator Stevens and Senator Holland were on the next committee of referral and advised that he hoped to add some technical changes to the bill in that committee.

1:43:20 PM

LOKI TOBIN, Staff, Senator Tom Begich, Alaska State Legislature, Juneau, Alaska presented the sectional analysis for SB 10.

Section 1.

Establishes an Essential Worker Grant Program as new uncodified law of the State of Alaska.

Directs the Alaska Commission on Postsecondary Education to establish an undergraduate tuition grant program for essential workers employed at the start of or during the declared federal public health emergency. This section also includes a comprehensive listing of occupations that qualify as essential for the purpose of this grant program.

Provides stipulations for qualifying essential workers, including employment status, postsecondary enrollment status, residency requirement, high school or equivalency completion requirement, grade point minimum, completion of federal aid application, and post-secondary credit hour limitations.

Includes grant program eligibility requirements, including grade point minimum, program progression, and enrollment status.

Directs the Alaska Commission on Postsecondary Education to establish policies and procedures for application and admission to the program, including establishing evaluation process of program efficacy.

Section 2.

Establishes an Essential Worker Grant Program Report as new uncodified law of the State of Alaska.

Directs the Alaska Commission on Postsecondary Education to submit the report of program efficacy to the Alaska State Legislature on or before December 31st.

Section 3.

Repeals *Section 1* on the date of expiration or determination of the declaration of a federal public health emergency.

Section 4.

Sets a repeal date of January 1, 2025 for *Section 2* of this Act.

1:45:52 PM

SENATOR BEGICH said the Higher Education Endowment Fund seemed to be the appropriate vehicle for funding, but unallocated federal resources for education may be used. The estimated funding need was based on numbers from Michigan that adopted a similar program. In that instance, less than one percent of the population applied and fully half of those applicants joined because of a high school element. The intent in the next committee of referral is to set a hard date for application and it will likely be December 31, 2021. He explained that somebody who worked during an emergency order is eligible and if they apply in 2021, they have up to four years to use the grant.

CHAIR COSTELLO mentioned grocery store workers specifically and asked if the intention was to reward people that the public had been relying on during the pandemic or to provide them additional education to add value to their position and potentially help them move forward.

SENATOR BEGICH replied it was both. Some people may choose to do the same or similar work or they may choose to pursue a different career path. It also is thanking these people for the work they did putting themselves on the line and providing an opportunity and path toward success.

He said Ms. Tobin has some data points about the health consequences of being an essential worker that the committee may find interesting.

1:50:39 PM

MS. TOBIN cited a study that shows over 20 percent of essential workers had contracted COVID-19 and 95 percent were positive. Over 24 percent experienced high anxiety and depression.

1:51:30 PM

SENATOR STEVENS asked him to restate the timeline for enrolling in the program and using the funds.

SENATOR BEGICH said he wanted to set a hard date to apply for the program, so it was easier to predict the cost. The expectation was that this public health emergency would end between September and December of this year. The idea was that an essential worker would be able to apply this calendar year. If the public health emergency were to extend into 2022, he would ask the legislature to revisit the matter. He asked Ms. Tobin how many people applied in Michigan.

MR. TOBIN replied 85,000.

SENATOR BEGICH estimated that about 5,000 Alaskans would apply. Applicants that the Postsecondary Education Commission approved would have up to four years to act. He said he was happy to entertain amendments in the Education Committee.

SENATOR STEVENS said his concern was for a student who applied this year but could not start classes until next January.

SENATOR BEGICH clarified that if someone had applied for the program, he or she could start next year and have four years to complete the program.

1:54:53 PM

SENATOR GRAY-JACKSON asked if an essential worker had the option of applying for a grant to be either a full-time or a part-time student, but the decision was theirs.

SENATOR BEGICH said yes and added that the intent was that the grant would apply to both college and vocational education opportunities such as AVTEC.

CHAIR COSTELLO asked if the language in the bill specifically included AVTEC.

SENATOR BEGICH replied that Legislative Legal Services believes it applies but suggested a small amendment to make that abundantly clear. He posited that it was appropriate to offer the amendment in the Education Committee. He noted that Legislative Legal further advised him to state on the record that the intent was to have the grant program apply to AVTEC.

CHAIR COSTELLO restated that the intent was that SB 10 would apply to Alaska Vocation Educational Technical College (AVTEC) students. She asked if he had talked to any grocery store managers about how this bill might result in a reduction in their workforce.

SENATOR BEGICH replied he had not talked to any owners or managers directly but he did speak with Joelle Hall, the incoming [president] of the Alaska AFL-CIO, about food and commercial workers in the AFL-CIO's United Food and Commercial Workers union. He said he was not sure that this program would move grocery workers out of that workforce, but it would provide an opportunity for those workers to choose to move out of that workforce at some point in their lives.

CHAIR COSTELLO asked if he was aware of any opposition to the bill.

SENATOR BEGICH replied he was not aware of any opposition.

[1:58:16 PM](#) [spotty audio from 1:58:37-1:58:30]

DAN ROBINSON, Chief of Research and Analysis, Division of Administrative Services, Department of Labor and Workforce Development, Juneau, Alaska, informed the committee that the division was policy neutral and politically free, and that was key to their value to the state.

MR. ROBINSON advised that he would provide information about job numbers during the COVID-19 health emergency and point to two reports the department produces that would be helpful broadly, as the committee thinks about the value of investments in Alaska's training and education institutions.

[2:00:02 PM](#)

MR. ROBINSON directed attention to a line graph on slide 2 that showed the percent change in Alaska employment from 2014 through 2020. He noted that the data was from the same month from the previous year to eliminate fluctuation due to seasonality. He pointed out the recession from October 2015 to the fourth quarter of 2018 and commented that it looked mild compared to the unprecedented plunge in employment that resulted from the COVID-19 pandemic. He said that percent drop had never happened in Alaska's history. To the people who might think this was worse than in the 1980s, he said the COVID-19 drop was very different and the rebound would likely be very different. He noted that a lot was yet to be determined about how 2021 pans out.

2:02:19 PM

MR. ROBINSON turned to the summary of job losses during the pandemic reflected slide 3. He highlighted that, by percentage, the largest job losses by far were in the leisure and hospitality category.

He said the second largest losses, by percentage, were in the oil and gas category and that there was more uncertainty about those jobs going forward than for leisure and hospitality. He explained that oil and gas jobs had just climbed back to 10,000 before the pandemic, and since then the numbers have dropped to 7,000. He noted that each of those 3,000 jobs paid about \$100,000.

CHAIR COSTELLO asked him to elaborate on the comment that there was more uncertainty about oil and gas jobs going forward.

MR. ROBINSON said different and more structural factors might affect oil and gas jobs when the economy reopens. The expectation is that gyms, bars, and restaurants that survive COVID-19 will reopen when the health emergency has passed, but the trajectory of oil and gas jobs may be affected for a longer period. Part of that is that the demand for business travel may not bounce back quickly.

MR. ROBINSON said the third point on slide 3 was that COVID-19 did not spare any part of the economy. The fourth point was that Alaska's losses were among the most severe of all states and the recovery so far had been slower than other states.

2:05:14 PM

MR. ROBINSON directed attention to the data on slide 5 and explained that the point of including it was to make members aware that this annual report exists. It looks in detail at the types of jobs that are growing and the types that were expected to decline. The division also does some job compilation to look at the jobs that pay better than average and are growing better than average. He said this report would be useful for SB 10 and plenty of other legislation to understand what was happening with job growth and decline in the economy.

CHAIR COSTELLO asked him to give the title of the report and the website where it was located.

MR. ROBINSON said the annual report called "Employment Trends for Alaska, 2018-2028," was published in the October issue of

"Alaska Economic Trends." To find it, search for "Alaska employment projections." He offered to follow up with specific links for this report and more detailed information about occupations.

CHAIR COSTELLO asked him to talk about how people changing careers may affect occupational projections.

[2:07:43 PM](#)

MR. ROBINSON said people frequently change occupations, particularly at the lower end where there are not many training requirements. He noted that some people work 10 types of occupations in two years.

SENATOR STEVENS commented on the decline of loggers and potentially fewer lawsuits.

MR. ROBINSON pointed out that the numbers were small but old-fashioned media was declining and marijuana was number one in growth. Second in growth was the combination of mining and brewing. He explained that occupations in both gold mining and brewing study the suspension of solids in liquid. He noted that other compilations such as registered nurses and teachers have the big numbers.

[2:10:02 PM](#)

MR. ROBINSON explained that the report that Research and Analysis publishes annually looks in detail at the nonresidents working in Alaska. He noted that the definition of nonresident worker was someone who worked but had not lived in Alaska for a full year. This was important because the Alaska economy was generating these jobs but the citizens of Alaska were not benefiting.

MR. ROBINSON directed attention to slide 7 that looked at construction as a sample of what was included in the report. It looks, by industry, at the historical trends for the different occupations and percentage of wages that go to nonresident workers.

[2:11:13 PM](#)

SENATOR GRAY-JACKSON referred to declining occupations and asked what a faller does.

MR. ROBINSON replied it was somebody who cuts down trees.

CHAIR COSTELLO assumed that the nonresident report was on the department's website.

MR. ROBINSON answered yes; legislators also received the report in an email.

2:12:08 PM

At ease

2:12:35 PM

CHAIR COSTELLO reconvened the meeting and invited James Harvey to testify.

2:12:43 PM

JAMES HARVEY, Assistant Director, Division of Employment and Training Services, Department of Labor and Workforce Development (DOLWD), Juneau, Alaska, stated that he oversees the job centers throughout Alaska, their operations, and the programs delivered to the citizens of Alaska.

He directed attention to the map on slide 2 of the PowerPoint that showed the locations of the 14 job centers located throughout the state. He explained that the centers run primarily through the Workforce Innovation and Opportunity Act (WIOA), which was a partnership among 18 required programs that form a one-stop system. He noted that DOLW operated 11 of the 18 programs.

2:14:00 PM

MR. HARVEY reviewed slide 3. He said the division staffs 14 of the Alaska job centers and provides services in a tiered approach. Applicants that need help generally need base assistance with things like resumes, applications, and interviews. These types of services were provided to over 75,000 job seekers last fiscal year, he said.

MR. HARVEY said the next tier of support was to provide individualized and training services for Alaskans experiencing a skill or credential barrier to employment. Case managers assess and work one-on-one with these Alaskans to develop an individual employment plan or roadmap to suitable employment. These plans can include things like funding to assist with training for a credential, skills upgrade, AVTEC, a CDL license from another provider, or from the University of Alaska. He highlighted that the division also provided supportive services for individuals in training and job placement assistance when the training was completed.

He reported that job training and placement assistance of individuals includes traditional training, training for credentials, and on the job training that may lead to an apprenticeship and nationally recognized credential. The division also works with individuals in prisons both pre and post release.

2:17:32 PM

MR. HARVEY reviewed the Employer Services provided through the Job Service System listed on slide 4. He said this work was primarily through the AlaskaJobs System, which was the primary exchange to match employers and job seekers. The division also works with employers on job fairs and individualized employer recruitment sessions. He highlighted that the veterans career fair scheduled for November 2020, moved online in a virtual format. It spanned several weeks to allow employers and other service agencies an opportunity to connect with veterans and eligible spouses.

2:19:15 PM

SENATOR REVAK asked if that program operated through the Disabled Veterans Outreach Program (DVOP) and the Local Veterans Employment Representative staff (LVERS).

MR. HARVEY replied it was in conjunction with DVOP and LVERS through a federal grant called Jobs for Veterans State Grant. The job center used those staff to do the majority of that connection. He noted that the leader of that job fair does the majority of the outreach to businesses to ensure that employers understand the benefits of hiring a veteran. It was also leveraged heavily by Wagoner-Peyser Act funding that covers the scope of employment services, including veterans.

SENATOR REVAK asked if the division reported on these programs annually.

MR. HARVEY replied the division prepared, in conjunction with the Alaska Workforce Investment Board, the annual report for the Workforce Innovation and Opportunity Act (WIOA).

SENATOR REVAK expressed interest in receiving a report on the details of the implementation of these programs over the last several years.

CHAIR COSTELLO asked Mr. Harvey for that report and a list of what the division offers for veterans so legislators could share that with their constituents.

2:21:57 PM

MR. HARVEY continued the presentation, highlighting additional employer services listed on slide 4. He explained that some of the hiring incentives for employers that address barriers to employment include the Fidelity Bonding Program, Work Opportunity Tax Credit (WOTC), and the Alaska Veteran Employment Corporate Tax Credit. Additionally, the division has a Rapid Response component to work with businesses undergoing closure to promote economic recovery and minimize the impact on workers so they receive benefits through the Unemployment Insurance Program.

MR. HARVEY also highlighted that all the division's programs through the US Department of Labor give priority to veterans. Regarding DVOPs and LVERs, he said two half-time positions are located in Fairbanks, four half-time positions in Anchorage, two half-time positions in MatSu are coming soon, and one full-time Local Veteran Employment Representative primarily to address employer relationships.

2:23:56 PM

MR. HARVEY turned to slide 5. He advised that the Division of Employment and Training Services administers workforce training through the broad categories of programs to grantees and programs delivered through the Job Center System. Delivery of the Alaska Adult Education (GED) Program and the Senior Community Service Employment Program was through grantees. He noted that in Alaska the latter was called the Mature Alaskans Seeking Skills Training (MASST).

Programs delivered through the Job Center System include Trade Adjustment Assistance; Workforce Innovation and Opportunity Act programs for adults, dislocated workers, and incumbent worker training; and State Training and Employment Program for individuals.

2:24:53 PM

MR. HARVEY said he was focusing on the federal funded programs, primarily those delivered through the Job Centers, which are the WIOA Adult and Dislocated Worker Programs. They play a key role in helping Alaskans to secure self-sufficient employment. Both programs have the same service structure discussed earlier.

MR. HARVEY said the Adult Program focused on individuals with barriers to employment, while the Dislocated Worker Program was designed primarily to assist workers affected by business closure or layoff. Both programs have types of 104 week training program that lead to certification, credential, or diploma upon completion and employment is an immediate expectation thereafter.

[2:26:14 PM](#)

MR. HARVEY paraphrased the text on slide 7 that describes the Workforce Innovation and Opportunity Act (WIOA) Adult Program:

The WIOA Adult program improves the quality of the adult workforce, increases self-sufficiency through employment, and enhances the productivity and competitiveness of Alaska's workforce. It enables workers to obtain good jobs by providing them with job search assistance and training opportunities.

General Program Eligibility:

- Age 18 or older
- In need of workforce services, training or retraining to secure unsubsidized employment
- Priority is given to veterans, low-income individuals, individuals who are basic skills deficient and recipients of public assistance

MR. HARVEY paraphrased the text on slide 8 that describes the Workforce Innovation and Opportunity Act (WIOA) Dislocated Worker Program:

WIOA Dislocated Worker Program

The Dislocated Worker program is designed to help workers get back to work as quickly as possible and overcome barriers to employment. When individuals become dislocated workers as a result of job loss, mass layoffs, global trade dynamics, or transitions in economic sectors, the Dislocated Worker program provides services to assist them in re-entering the workforce.

General Program Eligibility:

Unemployed and have lost their job through no fault of their own
Veterans receive priority of service

MR. HARVEY displayed slides 9 and 10 that show contact information for the Alaskan Job Center System and his work email and phone number.

[2:29:50 PM](#)

CHAIR COSTELLO invited Louise Dean to testify.

[2:30:10 PM](#)

LOUISE DEAN, Executive Director, Alaska Workforce Investment Board (AWIB), Anchorage, Alaska, stated that AWIB had multiple funding sources to provide support and training programs...

[2:30:36 PM](#)

At ease due to technical difficulties

[2:31:09 PM](#)

CHAIR COSTELLO reconvened the meeting.

[2:31:40 PM](#)

At ease due to technical difficulties

[2:32:18 PM](#)

CHAIR COSTELLO reconvened the meeting.

Technical difficulties continued and Chair Costello asked Ms. Dean to submit her testimony in writing.

[2:33:14 PM](#)

CHAIR COSTELLO opened public testimony on SB 10.

[2:33:37 PM](#)

MIKE COONS, representing self, Palmer, Alaska, said he could not support SB 10, largely because of the definition of "essential worker." He opined that these workers were given higher priority over all other Alaskans who are just as essential. He maintained that the low-income workers the sponsor referenced in the bill are those who are working and drawing a paycheck. However, the "nonessential" workers are the new low-income and new poor. He described this as upside down and potentially discriminatory. He emphasized the importance of getting all Alaskans back to full employment.

CHAIR COSTELLO said she was sure the sponsor would take his questions to the next committee.

[2:36:00 PM](#)

At ease due to technical difficulties.

[2:37:00 PM](#)

CHAIR COSTELLO reconvened the meeting.

[2:37:20 PM](#)

SANA EFIRD, Executive Director, Alaska Commission on Post-Secondary Education, Juneau, Alaska, said she was available to answer questions.

SENATOR STEVENS congratulations her on her new position.

MS. EFIRD said she looked forward to working with him.

[2:38:22 PM](#)

JOELLE HALL, incoming President, Alaska AFL-CIO, Anchorage, Alaska, said she was pleased to report that many of the Alaska AFL-CIO frontline workers had been working during the pandemic. However, she said many other workers who hold important jobs that make the gears of the economy turn did not benefit from collective bargaining.

She said we have learned a lot during this pandemic but something that sticks in our collective memories and hearts is that without childcare and grocery store workers, everyone is in deep trouble. She thanked the sponsor for introducing the bill and emphasized the importance of training to get Alaskans back to work. She related that a cornerstone of the work the labor movement does was to provide training and the opportunity to build a better life for families. She agreed with the statement in the sponsor statement that better training also benefits employers.

MS. HALL described SB 10 as a win-win for workers and their current or future employers. She said it was a good idea and the Alaska AFL-CIO was in full support and looked forward to its passage.

[2:40:16 PM](#)

CHAIR COSTELLO found no further testimony. She noted that the bill had a Finance Committee referral so she would not ask for a review of the fiscal note.

SENATOR BEGICH thanked the committee for hearing the bill.

[2:41:02 PM](#)

CHAIR COSTELLO closed public testimony on SB 10.

2:41:11 PM

SENATOR GRAY-JACKSON moved and asked unanimous consent to report SB 10 from committee with individual recommendations and attached fiscal note(s).

CHAIR COSTELLO found no objection and SB 10 was reported from the Senate Labor and Commerce Standing Committee.

2:41:31 PM

At ease

SB 24-VIRTUAL MEETINGS FOR CORPORATIONS

2:43:31 PM

CHAIR COSTELLO reconvened the meeting and announced the consideration of SENATE BILL NO. 24, "An Act authorizing virtual meetings of shareholders of a corporation; and authorizing virtual meetings of members of a nonprofit corporation."

CHAIR COSTELLO advised that her intention was to hear the introduction, take and close public testimony, and hold the bill for future consideration and possible amendments from the bill sponsor.

2:44:12 PM

SENATOR DAVID WILSON, Alaska State Legislature, Juneau, Alaska, sponsor of SB 24, introduced the legislation loosely paraphrasing the following sponsor statement:

The events of this past year have caused many hardships but have also inspired innovation. It is imperative that we use this innovation to improve our operations and laws in the future. Senate Bill 24 capitalizes on one such of these innovations.

Senate Bill 24 allows corporations' shareholder meetings and nonprofit member meetings to be held electronically. Section 12 of SB 241 of the 31st Legislature and subsequent emergency orders have allowed for these electronic meetings, but that authorization will eventually expire. The ability to meet electronically, as would be permanently allowed by the passage of this bill, has proved invaluable to these organizations. Senate Bill 24 enables corporations and nonprofit organizations to operate more efficiently and with greater flexibility than in the past.

For these reasons I urge a swift passage of this bill.
Thank you for your consideration of this important
legislation.

SENATOR WILSON advised that the forthcoming amendments were to ensure that the bill was sufficiently inclusive to give all businesses and corporations in Alaska the option to conduct meetings electronically.

2:46:00 PM

JASMIN MARTIN, Staff, Senator David Wilson, Alaska State Legislature, Juneau, Alaska, delivered the following sectional analysis for SB 24.

Senate Bill 24

Sectional Summary V.A

Section 1: Amends AS 10.06.405(a) to allow for the changes made in section 2.

Section 2: Amends AS 10.06.405 to add a section (e), which allows shareholders in for profit corporations to meet electronically as allowed in the organizations' by-laws.

Section 3: Amends AS 10.20.061(a) to allow for the changes made in section 2.

Section 4: Amends AS 10.21.061 to add a section (d), which allows members of a nonprofit organization to meet electronically as allowed in the organizations' by-laws.

Section 5: Adds a section to the uncodified law of Alaska allowing corporations that plan to distribute or have distributed a proxy statement or notice of annual meeting at the time this bill passes to notice or renote the annual meeting so it may be held electronically.

2:47:39 PM

CHAIR COSTELLO asked if this legislation was similar to a particular section of Governor Dunleavy's disaster declaration, SB 56.

MS. MARTIN answered yes; it was modeled on the disaster declarations but the bill added clarification.

CHAIR COSTELLO listed those available online to answer questions.

[2:48:45 PM](#)

CHAIR COSTELLO opened invited testimony.

[2:50:00 PM](#)

At ease due to technical difficulties.

[2:50:50 PM](#)

CHAIR COSTELLO reconvened the meeting. [The technical difficulties continued.]

CHAIR COSTELLO advised that public testimony on SB 24 would remain open.

[2:52:01 PM](#)

SENATOR GRAY-JACKSON asked if businesses and corporations were already meeting virtually because of COVID-19.

SENATOR WILSON replied that without an extension of the disaster declaration that ability would end on February 14, 2021. SB 24 would allow virtual meetings in perpetuity.

[2:52:47 PM](#)

SENATOR GRAY-JACKSON shared that she was unaware that this was in statute.

CHAIR COSTELLO said she appreciated that this placed in statute one of the emergency powers authorized during the emergency disaster that worked and made conducting business easier.

[2:54:02 PM](#)

CHAIR COSTELLO held SB 24 in committee.

[2:54:21 PM](#)

There being no further business to come before the committee, Chair Costello adjourned the Senate Labor and Commerce Standing Committee meeting at 2:54 p.m.